1 July 1981

MEMORANDUM FOR: Director of Personnel

FROM   : Deputy Director of Central Intelligence

SUBJECT   : Personnel Planning

REFERENCE   : Your memo to me, dated 11 June 1981,
                    same subject (ER 81-1139/2)

1. I think you have the core of a good personnel planning
process in your referenced memorandum. As we begin this process,
however, I would like to use it as an opportunity to return to the
basics and spell out what the Agency's broad goals should be in the
personnel area. Once we agree on those, the planning process you
have outlined will help us work toward those goals.

2. With this in mind, I would like to see a revised version
of your paper. Section I could be improved by a broad definition
of the goal of this new planning system. It seems to me we want
a system that will enable the Agency to acquire and maintain
the human resources it needs to perform its mission and to provide
employees opportunities to realize their potential. I would then
like to see a section added spelling out the Agency's personnel
goals, both in terms of accomplishing its mission and providing job
satisfaction for its employees. With this framework, the process
you have outlined logically follows and can then begin to identify
issues and problems.

3. Your people should touch base with the new Agency Planning
Staff to ensure that personnel planning is brought into the overall
Agency planning effort.

STAT

B. R. INMAN
Admiral, U.S. Navy

11 JUN 1981

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM   : James N. Glerum
                  Director of Personnel

SUBJECT   : Personnel Planning

REFERENCES   : A. Memorandum from D/Pers to DDCI, dtd 4 May 1981,
                      Same Subject (ER 81-1139)

                  B. Memorandum from DDCI to D/Pers, dtd 12 May 1981,
                      Same Subject (ER 81-1139/1)

     1. Action Requested: Paragraph 4 of this memorandum contains a
recommendation for your approval.

     2. Background: At the 15 April Executive Committee meeting you
decided that the Annual Personnel Plan and Annual Personnel Report have
outlived their utility and should be discontinued in their present form.
You also tasked my Office and the Executive Committee Staff with developing
alternative ways to accomplish the objective of effective personnel planning
and to assist the DDCI/DCI in "getting a handle on" the Agency's personnel
management system. At our request (Reference A) you provided additional
guidance in Reference B on your approach to personnel planning.

     3. Staff Position:

          a. Attachment A is a proposal for a personnel planning system
developed by my Staff in conjunction with the Executive Committee Staff.
The planning system is also presented in schematic format (Attachment B),
and there is a devised example (Attachment C) illustrating how the system
would operate.

          b. The proposed personnel planning system was developed to
meet the following criteria:

               ° Maximum managerial involvement both in issue identifica-
          tion and resolution.

               ° Assessment of issues in order to determine if the issue
          is valid for Agency-wide attention.

° Staff studies to flush out the best and most practical means to address issues.

° Accountability as to the priority of the issue and the achievement time frame for resolution.

° Providing the option to follow the whole planning cycle or to exclude parts of the cycle.

° Reviewing attainment levels to reconfirm, add or delete areas to be monitored.

c. If you approve this personnel planning system, there are a number of issues that I believe need to be addressed. Primary among these issues are the following:

° Compensation. My Office is preparing a concept paper proposing a compensation system different from the General Schedule which I believe will increase employee morale and place the Agency in a better competitive position to attract and retain good people.

° Appraisal. There is a need to reexamine our performance appraisal system to make it more meaningful and useful.

° Mobility and Relocation. The Agency needs to constantly examine its policies in order to encourage employees to accept field assignments.

4. Recommendation: It is recommended that you approve the personnel planning system as detailed in Attachment A.

STAT

James N. Glerum

Attachments (3)

APPROVED: _____
                Deputy Director of Central Intelligence   Date

Distribution:
- Orig. - Return to D/OP
    1 - DDCI w/atts
    1 - ER w/atts
    2 - D/OP w/atts
    1 - Subject w/atts
    1 - Chrono wo/atts

Personnel Planning

I. Topic

Establish a personnel planning system that centers on problems and policies in the broadest terms. The objective is to identify problems and then the policies and plans to deal with them. The goal is to relate achievement to the accomplishment of an objective.

II. Concept

A. Personnel planning involves five distinct phases. These are:

° issue identification;
° plan to address;
° development of specific targets or goals;
° measuring success; and,
° review.

B. Issue identification is the determination of the basic personnel problems and policy questions that must be faced. This can be accomplished in the following manner.

1. The means of determining the issues can be developed from the following sources:

° Perceived needs and problems as identified by senior managers, employee groups, oversight committee questions, etc. These needs or problems can be analyzed by the Office of Personnel (OP) to determine validity for Agency-wide attention; or, if the impact is restricted to a smaller segment of the Agency and should be addressed by component managers only; or, if there is no issue involved.

° Conclusions from OP program evaluations that assess Agency-wide programs identifying issues needing attention. Examples are the PAR survey which identifies the need for additional appraised training on the part of supervisors and the Precepts examination which may conclude that ranking the low three percent of employees is no longer required.

° Data analysis by OP from the Personnel Data Base can provide indicators of issues needing attention. Areas that can be monitored are occupation mix, personnel flow, performance appraisal ratings, the rate of special recognition afforded superior performers, etc.

° Analysis by OP of personnel needs derived from the Program Call can provide indicators of issues in the occupation mix and recruitment areas. OP can provide the basic information from which components can indicate their personnel needs on a three-year basis similar to the manner in which they indicate their financial needs. This will afford OP the opportunity to give more effort to recruitment planning.

° Discussions by OP with selected managers and personnel officers to ascertain the importance of and need to examine selected issues.

° Questionnaires can be prepared by OP that sample the Agency population in order to ascertain what a selected group of employees believes are the major personnel issues facing the Agency. Care would have to be exerted in developing the questionnaire and in selecting the sample in order to avoid false conclusions or expectations.

° The Office of Equal Employment Opportunity (OEEO)-developed Affirmative Action Plan can be analyzed by OP to determine issues that require senior management attention.

2. The roles and responsibilities in issue identification would be as follows.

° Deputy Directors, other senior managers and OP as issue identifiers.

° OP as the administration point to receive issues, collect data from sources such as the Comptroller and the OEEO, perform data analysis and assess the issue prior to an Executive Committee (EXCOM) meeting on the subject.

° Personnel Management Advisory Board (PMAB) as an advisory body to the Director of Personnel on issues.

° EXCOM as an advisory body to the DDCI and to prioritize issues in order of importance and interest.

° DDCI as the approving official for issue studies.

C. Developing the plan to address the issues can be accomplished by OP staff studies. These studies would combine quantitative and qualitative analysis and would present options or recommendations to address the issue. The roles and responsibilities in developing the policy, program or plan would be as follows:

° OP as the developer of the staff studies with input from other sources (such as OF, EXCOM Staff, etc.) as required.

° PMAB as an advisory body to the Director of Personnel on the subject prior to the staff study being submitted for EXCOM/DDCI consideration.

       ° EXCOM as an advisory body to the DDCI on the staff study options or recommendations.

       ° The DDCI as the approving authority.

D. In those instances where the development of specific targets or goals are indicated, these can be accomplished by OP's modeling and projection techniques. Some issues may not lend themselves to the development of specific targets but may be more appropriately monitored by such means as program evaluations, surveys or other assessment mechanisms. In all instances, specific follow-up actions would be proposed in the issue staff study. The roles and responsibilities in this phase would be between the Director of Personnel and the Deputy Directors and would be by agreement to the target or follow-up action proposed.

E. Measuring success would be by an evaluation of the progress made in addressing the issue during an agreed time frame. Normally, the time for measuring should be no less than one year. For those areas where targets have been established, OP can provide periodic statistical reporting on attainment level. In other areas, mechanisms such as questionnaires, personnel interviews or written surveys will need to be developed. The analysis of why success was either achieved or not achieved will be of key importance. The roles and responsibilities in measuring attainment success would be as follows.

       ° OP would provide the tools for measuring success either through statistical reporting or through the conclusions of survey mechanisms.
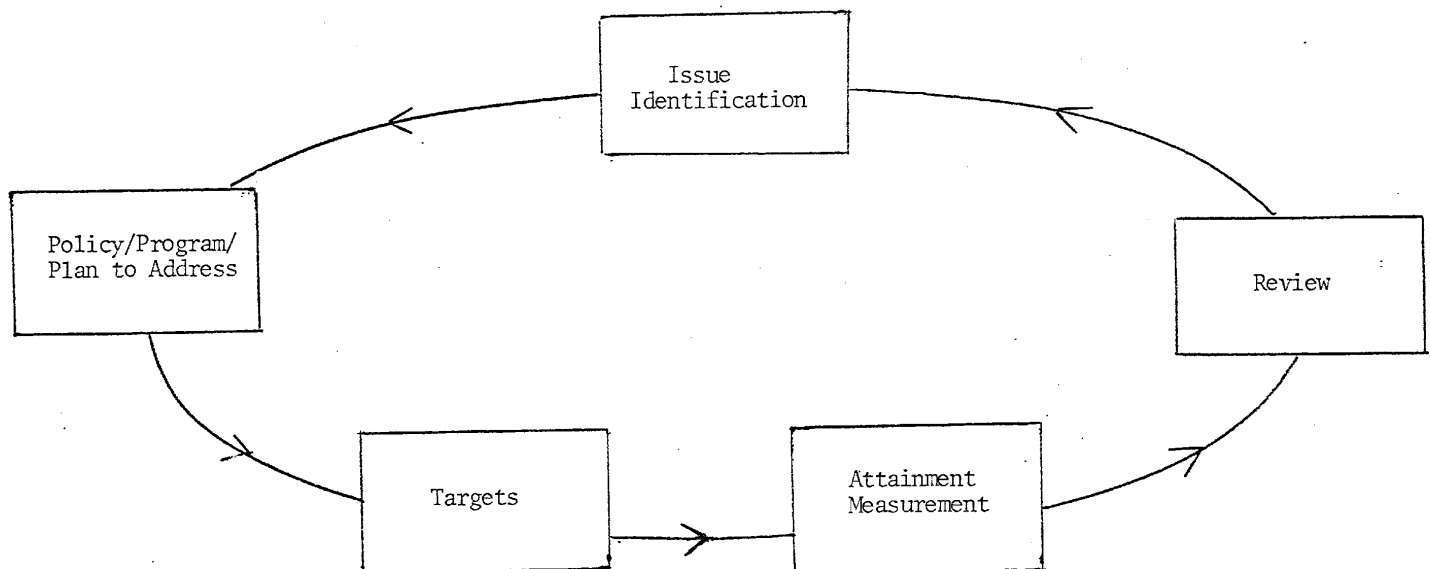
       ° The Deputy Directors concerned being more familiar with the factors influencing success would provide the analysis as to why success was either achieved or not achieved.

F. The review by the Deputy Directors and the Director of Personnel would be in the form of recommendations regarding either continued detailed monitoring of the issue involved, changes to the policy, program or plan decided upon earlier so as to better guarantee success, or cease monitoring as the changes decided upon earlier resulted in successful attainment of the goal. The roles and responsibilities in this review phase would be as follows.

       ° OP and the Deputy Directors would provide the recommendations.
       ° EXCOM would advise the DDCI on the recommendations.
       ° The DDCI would approve the next course of action.

Personnel Planning Phases

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        ◄───────────────│  Identification │◄───────────────
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┌──────────────────┐                              ┌─────────────────┐
│ Policy/Program/   │                              │                 │
│ Plan to Address   │                              │     Review      │
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         ─────────►│ Targets  │─────►│   Attainment     │──
                   └──────────┘      │   Measurement    │
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Personnel Planning

Phases	Roles	Means	Time Frame
Issue Identification	DDs and OP - Identifier	Perceived Needs/Problems Senior Managers, etc.	Ongoing
	OP - Admin to collect, analyze and assess	Program Evaluations - OP Conclusions	Ongoing
		Data Analysis - OP Providing Indicators of Problems	Ongoing
	PMAB - Advisory to D/Pers EXCOM - Advisory and Prioritizing Body	Program Call - OP Analysis of Personnel Needs Discussions - OP with Managers/Personnelists	Three years
	DDCI - Approving Authority	Questionnaires - Agency Sample	Ongoing
Plan to Address	OP - Developer PMAB - Advisory EXCOM - Advisory and Prioritizing Body DDCI - Approving Authority	Staff Studies Options Quantitative Qualitative	Action agenda on a prioritized basis
Develop Specific Targets	OP and DDs	Modeling - Projections	Action agenda on a prioritized basis
Measure Success	OP - Measurement Tools DDs - Analysis	OP - Statistical Reporting	Minimum - One year after target development
Review	DDs - Recommendation OP - Recommendation EXCOM - Advisory DDCI - Approval	D/Pers and Career Service Heads Recommendations re: Reconfirmation Additions Deletions	Action agenda

Example (devised)

A. A perception from senior management is that the resignation rate for certain categories of employees has risen. OP from statistical analysis was able to indicate that the resignation rate of personnel in certain occupations has risen during the last two calendar years. EXCOM review of the issues resulted in the DDCI deciding that the resignation rate rise was significant enough to warrant investigation.

B. OP's staff study concluded from data analysis, exit interview reports, job market surveys and research into methods of increasing retention rates that certain means were available to alleviate the problem. These means were discussed at both a meeting of the PMAB and the EXCOM. After consideration, the DDCI approved an action plan and established the goal of reducing the resignation rate during the next 12 months.

C. Modeling and projections indicate that a reasonable target would be to reduce resignations by five percent during the coming calendar year. Periodic reports were provided to component managers and the DDCI.

D. Statistical reporting at the end of one year indicates that the resignation rate was reduced by nearly six percent. Component analysis indicated that all actions taken contributed equally to the increased retention rate.

E. The review recommended that retention rates in these job categories no longer be monitored as closely as in the past year but that an annual statistical summary of retention rates be provided to component managers employing individuals in these job categories. Any deviations from the norm would indicate the need for additional study. The DDCI approved this recommendation.

12 May 1981

MEMORANDUM FOR: Director of Personnel

FROM   : Deputy Director of Central Intelligence

SUBJECT   : Personnel Planning

1. I have reviewed Harry Fitzwater's memorandum of 4 May on personnel planning in which he suggests specific areas of the personnel system that I might want to monitor as part of the planning process. While the specific areas outlined in that memorandum clearly are important, I think this approach tends to focus attention in personnel planning on statistical measures which often do not reflect the basic personnel problems and policy questions the Agency must face.

2. In my view, the involvement of senior management--the DDCI, the deputy directors, the Head of the E Career Service and so forth--in personnel planning ought to center on problems and policies in the broadest terms. For example, the Executive Committee should address such basic questions as:

-- how are we to upgrade certain functions such as communicators and keep analysts as analysts and yet avoid grade creep;

-- what is the value of rotational assignments and are they being used effectively;

-- what are the planning consequences of having the overwhelming majority of supergrades in certain offices over 50 years old;

-- why are some portions of the DDO desperate for additional personnel while other elements of the Agency are over strength;

-- what kinds of programs can we develop to ensure that a certain percentage of our staff have experience elsewhere in the govern-ment and in the private sector and to upgrade the skills of our staff;

-- why do good people leave and what lessons can we learn;

-- are we attracting and maintaining the critical skills we need;

-- are we making adequate use of awards and pay devices short of grade promotions; and, finally,

-- can we do more in the area of hiring and promoting minorities and the use of upward mobility programs?

3. I believe that an effective personnel planning process should begin with the identification of issues such as those above (which are illustrative only) and that the next step is the development of policies and programs to address the issues. The Executive Committee should play a central part in this process. Once issues are identified and policy guidelines established, the directorates can work with the Office of Personnel to develop specific statistical targets. Annually, the success of each career service in meeting its targets would be evaluated even as new issues, programs and targets are identified or the old ones reconfirmed for the following year. In short, personnel planning must not become an annual, marginal revision of statistical objectives but must begin with the identification of real problems, and then the policies and plans to deal with them.

4. It is my view that the effort to identify alternatives to the APP and ARP should concentrate on this approach. In keeping with the Executive Committee discussion on this matter last month, I would appreciate having the personnel planning options paper by 15 June.

STAT

B. R. INMAN
Admiral, U.S. Navy

4   MAY 1981

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM   : Harry E. Fitzwater
                   Director of Personnel Policy,
                   Planning, and Management

SUBJECT   : Personnel Planning

     1. Action Requested: Paragraph 4 of this memorandum requests
information from you.

     2. Background: At the 15 April Executive Committee meeting you
decided that the Annual Personnel Plan and Annual Personnel Report
have outlived their utility and should be discontinued in their present
form. You also tasked my Office and the Executive Committee Staff with
developing alternative ways to accomplish the objective of effective
personnel planning and to assist the DDCI/DCI in "getting a handle on"
the Agency's personnel management system. At the same meeting you
commented that you would provide the areas of your interest.

     3. Staff Position:

          a. I plan to convene a senior working group to address the topic
of personnel planning and will report back to you and the Executive
Committee on alternatives to accomplish your objectives. I believe a
system can be developed that while not requiring the inordinate use of
resources will be useful and tailored to your needs. A major problem
is determining the standard or goal against which to measure progress.
My staff can provide statistical reporting for monitoring purposes but
the setting of the standard or goal will need to be a managerial decision.
We can provide target figures against which standards or goals can be set.

          b. Knowing the personnel management areas that you wish to
monitor will be helpful in developing this planning system. For your
consideration, I suggest planning in the following areas.

               ° Promotions. To insure consistency and equity Agency-wide,
the rates of promotions and the ages and grade profile of those promoted
can be monitored.

               ° EEO Progress. Monitoring the hiring rate of women
and minorities and the use of upward mobility programs can provide an
indicator of EEO success.

° Rotational Assignments. Monitoring this aspect of the
Senior Officer Development Program will provide an indicator of successful
development of potential senior officers.

° Recruitment. Reporting can be provided that will keep
you advised as to the mix and quality of the recruitment effort.

° Performance Appraisals. Reporting can be provided on
the average rating of employees on the numbers and disposition of
counseling cases.

° Awards and Quality Step Increases. Monitoring of these
programs can provide indicators of the amount of special recognition afforded
superior performers.

° Strength. Reporting on the Agency's on-duty strength
and with projections of hires and losses will provide an indicator of
success in attaining ceiling strength.

4. If there are other areas that you are interested in monitoring, we
will add them to the above list.

STAT

Harry E. Fitzwater

I. Topic

Establish a personnel planning system that centers on problems and policies in the broadest terms. The objective is to identify problems and then the policies and plans to deal with them. The goal is to relate achievement to the accomplishment of an objective.

II. Concept

A. Personnel planning involves five distinct phases. These are:

° issue identification;

° plan to address;

° development of specific targets or goals;

° measuring success; and,

° review.

B. Issue identification is the determination of the basic personnel problems and policy questions that must be faced. This can be accomplished in the following manner.

1. The means of determining the issues can be developed from the following sources:

° Perceived needs and problems as identified by senior managers, employee groups, oversight committee questions, etc. These needs or problems can be analyzed by the Office of Personnel (OP) to determine validity for Agency-wide attention; if the impact is restricted to a smaller segment of the Agency and should be addressed by component managers only; or, if there is no issue involved.

° Conclusions from OP program evaluations that assess Agency-wide programs identifying issues needing attention. Examples are the PAR survey which identifies the need for additional appraised training on the part

of supervisors and the Precepts examination which may conclude that

° Data analysis by OP from the Personnel Data Base can provide indicators of issues needing attention. Areas that can be monitored are occupation mix, personnel flow, performance appraisal ratings, the rate of special recognition afforded superior performers, etc.

° Analysis by OP of personnel needs derived from the Program Call can provide indicators of issues in the occupation mix and recruitment areas. OP can provide the basic information from which components can indicate their personnel needs on a three-year basis similar to the manner in which they indicate their financial needs. This will afford OP the opportunity to give more effort to recruitment planning.

° Discussions by OP with selected managers and personnel specialists to ascertain the importance of and need to examine selected issues.

° Questionnaires can be prepared by OP that sample the Agency population in order to ascertain what a selected group of employees believes are the major personnel issues facing the Agency. Care would have to be exerted in developing the questionnaire and in selecting the sample in order to avoid false conclusions or expectations.

° The OEEO-developed Affirmative Action Plan can be analyzed by OP to determine issues that require senior management attention.

2. The roles and responsibilities in issue identification would be as follows.

° Deputy Directors and other senior managers as issue identifiers to OP.

° OP as the administration point to receive issues, collect data from sources such as the Comptroller and the OEEO, perform data analysis and assess the issue prior to EXCOM meeting on the subject.

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body to the Director of Personnel on issues.

 ° EXCOM as an advisory body to the DDCI and to prioritize issues in order of importance and interest.

 ° DDCI as the approving official for issue studies.

 C. Developing the <u>plan to address</u> the issues can be accomplished by staff studies performed by OP. These studies would combine quantitative and qualitative analysis and would present options for consideration to address the issue. By following an action agenda discussed at EXCOM, OP would have a time frame within which to present the staff study. The roles and responsibilities in developing the policy, program or plan would be as follows:

 ° OP as the developer of the staff studies with input from other sources (such as OF, EXCOM Staff, etc.) as required.

 ° PMAB as an advisory body to the Director of Personnel on the staff papers prior to their being submitted for EXCOM/DDCI consideration.

 ° EXCOM as an advisory body to the DDCI on the viability of the staff study options or recommendations.

 ° The DDCI as the approving authority.

 D. In those instances where the <u>development of specific targets or goals</u> are indicated, these can be accomplished by OP's modeling and projection techniques. Some issues may not lend themselves to the development of specific targets but may be more appropriately monitored by such means as program evaluations, surveys or other assessment mechanisms. In all instances, specific follow-up actions would be proposed in the issue staff study. The roles and responsibilities in this phase would be between the Director of Personnel and the Deputy Directors and would be by agreement to the target or follow-up action proposed.

E. Measuring ~~cess would be by an evaluation ~ : the progress

made in addressing the issue during an agreed time frame. Normally, the

time for measuring should be no less than one year. For those areas where

targets have been established, OP can provide periodic statistical reporting

on attainment level. Other mechanisms, such as questionnaires, personnel

interviews or written surveys will need to be developed. The analysis of

why success was either achieved or not achieved will be of key importance. The

roles and responsibilities in measuring attainment success would be as follows.

° OP would provide the tools for measuring success either through

statistical reporting or through the conclusions of survey mechanisms.

° The Deputy Directors concerned would provide the analysis as to

why success was either achieved or not achieved as they would be more

familiar with the factors influencing success.

F. The review by the Deputy Directors and the Director of Personnel

would be in the form of recommendations regarding either continued detailed

monitoring of the issue involved, changes to the policy, program or plan

decided upon earlier so as to better guarantee success, or cease monitoring

as the changes decided upon earlier resulted in successful attainment of the

goal. The roles and responsibilities in this review phase would be as follows.

° OP and the Deputy Directors would provide the recommendations.

° EXCOM would advise the DDCI on the recommendations.

° The DDCI would approve the next course of action.

II. Example (devised)

A. A perception from senior management is that the resignation rate

for certain categories of employees has risen. OP from statistical analysis

was able to indicate that the resignation rate of personnel in certain

occupations has risen during the last two calendar years. EXCOM review of

the issues resulted ___ the DDCI deciding that the re___nation rate rise was
significant enough to warrant investigation.

B. OP's staff study concluded from data analysis, exit interview

reports, job market surveys and research into methods of increasing retention

rates that certain means were available to alleviate the problem. These

means were discussed at both a meeting of the PMAB and the EXCOM. After

consideration, the DDCI approved following two means with the goal in

reducing the resignation rate during the next 12 months.

C. Modeling and projections indicate that a reasonable target would

be to reduce resignations by five percent during the coming calendar year.

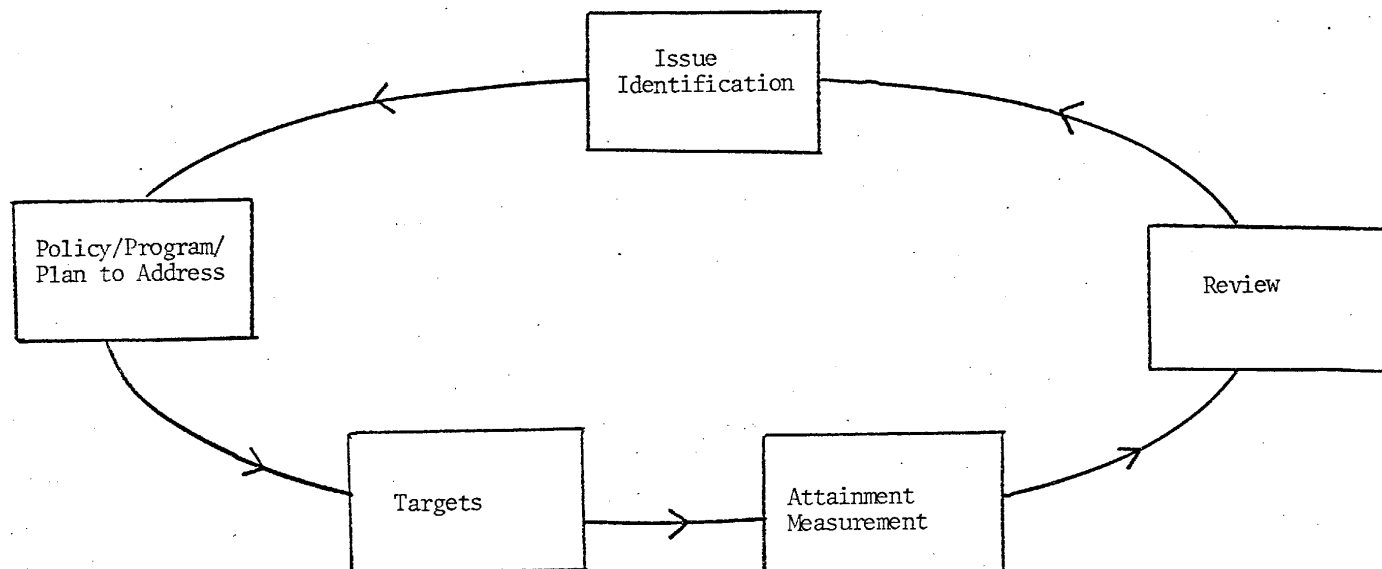Periodic reports were provided to component managers and the DDCI.

D. Statistical reporting at the end of one year indicates that the

resignation rate was reduced by nearly six percent. Component analysis indicated

that both means contributed equally to the increased retention rate.

E. The review recommended that retention rates in these job categories

no longer be monitored as closely as in the past year but that an annual

statistical summary of retention rates be provided to component managers

employing individuals in these jobs. Any deviations from the norm would

indicate the need for additional study. The DDCI approved this recommendation.

Personnel Planning

Phases	Roles	Means	Time Frame
Issue Identification	DDs - Identifier	Perceived Needs/Problems Senior Managers, etc.	On-going
	OP - Admin to collect, analyze and assess	Program Evaluations - OP Conclusions	On-going
		Data Analysis - OP Providing Indicators of Problems	On-going
	PMAB - Advisory to D/Pers		
	EXCOM - Advisory and Prioritizing Body	Program Call - OP Analysis of Personnel Needs	Three years
		Discussions - OP with Managers/Personnelists	On-going
	DDCI - Approving Authority	Questionnaires - Agency Sample	On-going
Plan to Address	OP - Developer	Staff Studies	Action agenda on a prioritized basis
	PMAB - Advisory	Options	
	EXCOM - Advisory and Prioritizing Body	Quantitative Qualitative	
	DDCI - Approving Authority		
Develop Specific Targets	OP and DDs	Modeling - Projections	Action agenda on a prioritized basis
Measure Success	OP - Measurement Tools	OP - Statistical Reporting	Minimum - One year after target development
	DDs - Analysis		
Review	DDs - Recommendation	D/Pers and Career Service Heads	Action agenda
	OP - Recommendation	Recommendations re:	
	EXCOM - Advisory	Reconfirmation	
	DDCI - Approval	Additions	
		Deletions	

Personnel Planning Phases

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                    ┌──────────────────┐
                    │      Issue       │
      ┌─────────────│  Identification  │─────────────┐
      ↓             └──────────────────┘             ↓
┌──────────────────┐                        ┌──────────────────┐
│  Policy/Program/ │                        │                  │
│  Plan to Address │                        │      Review      │
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          │          │        │   Measurement    │
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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

STAT

FROM:
DD/PA&E/OP
1006 Ames

EXTENSION	NO.
	DATE 27 May 1981

STAT

TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. EA/OP 5E58 Hqs.				Per our discussion of 15 May on the DDCI's personnel planning paper, Irene, Stan and I have put together the attached concept paper. I have also included the same concept in outline format. We are ready to discuss the concept at your convenience. We have a response date to the DDCI of 15 June. Also, at the 15 April EXCOM, the DDCI tasked us and the EXCOM Staff with developing a personnel planning paper. Shall we include [ ] in our discussion?
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